

25 of 25 DOCUMENTS

Copyright 2007 Market Wire, Incorporated  
All Rights Reserved  
Market Wire

August 9, 2007 Thursday 4:48 PM GMT

**LENGTH:** 517 words

**HEADLINE:** Kaplan Fox Seeks to Recover Losses for Investors Who Purchased Securities of Qiao Xing Universal Telephone, Inc.

**DATELINE:** NEW YORK, NY; Aug 09, 2007

**BODY:**

Today, Kaplan Fox & Kilsheimer LLP filed a class action lawsuit in the United States District Court for the Southern District of New York on behalf of a class (the "Class") of all persons who purchased securities of Qiao Xing Universal Telephone, Inc. ("Xing" or the "Company") (NASDAQ: XING), including purchasers of both Xing common stock and call options, between June 30, 2004 and July 16, 2007, inclusive and alleges violations of the federal securities laws by Xing and certain of its executives.

As alleged in the Complaint, on July 17, 2007, before the opening of trading, Xing disclosed, among other things, that in connection with the audit of the financial statements of a Company subsidiary, certain misstatements for the years 2005, 2004 and 2003 were identified that were not initially detected through the Company's internal control over financial reporting and that, as a result, management has decided to restate the Company's consolidated financial statements for the years ended December 31, 2005, 2004 and 2003. As further alleged, during the Class Period, Xing overstated its reported net income for the years ended December 31, 2005 and 2004 by 2% and 93%, respectively, and for the year ended December 31, 2003, Xing understated its reported net loss by 210%.

The complaint further alleges that on July 17, 2007, the Company filed its annual report for the year ended December 31, 2006 on Form 20-F with the SEC that stated that the misstatements in the financial statements resulted from certain deficiencies in the Company's system of internal controls over financial reporting.

In response to these announcements, on July 17, 2007, the price of Xing stock declined from \$13.97 per share at the close of trading on July 16, 2007, to close at \$11.04 per share, a decline of approximately 21%, on extremely heavy trading volume.

If you are a member of the proposed Class, you may move the court no later than October 8, 2007 to serve as a lead plaintiff for the Class. You need not seek to become a lead plaintiff in order to share in any possible recovery.

Kaplan Fox Seeks to Recover Losses for Investors Who Purchased Securities of Qiao Xing Universal Telephone, Inc.  
Market Wire August 9, 2007 Thursday 4:48 PM GMT

Plaintiff seeks to recover damages on behalf of the Class and is represented by Kaplan Fox & Kilsheimer LLP. Our firm, with offices in New York, San Francisco, Los Angeles, Chicago and New Jersey, has many years of experience in prosecuting investor class actions and actions involving financial fraud. For more information about Kaplan Fox & Kilsheimer LLP, or to review a copy of the complaint filed in this action, you may visit our website at [www.kaplanfox.com](http://www.kaplanfox.com).

If you have any questions about this Notice, the action, your rights or your interests, please e-mail us at [mail@kaplanfox.com](mailto:mail@kaplanfox.com) or contact:

Frederic S. Fox  
Joel B. Strauss  
Jeffrey P. Campisi  
KAPLAN FOX & KILSHEIMER LLP  
850 Third Avenue, 14th Floor  
New York, NY 10022  
(800) 290-1952  
(212) 687-1980  
Fax: (212) 687-7714  
E-mail address:  
[mail@kaplanfox.com](mailto:mail@kaplanfox.com)

Laurence D. King  
KAPLAN FOX & KILSHEIMER LLP  
555 Montgomery Street, Suite 1501  
San Francisco, CA 94111  
(415) 772-4700  
Fax: (415) 772-4707  
E-mail address:  
[mail@kaplanfox.com](mailto:mail@kaplanfox.com)

**SOURCE:** Kaplan Fox & Kilsheimer LLP

**LOAD-DATE:** August 10, 2007